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May 1, 2006

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Washington RSA No. 8 Limited Partnership Quarterly E911 Status Report CC Docket No. 94-102

#### Dear Ms Dortch:

Pursuant to the Commission's *Order* in the above reference proceeding, Washington RSA No. 8 Limited Partnership ("WA8LP") hereby submits its E911 status report ("Report"). This Report provides the Commission with the current status of WA8LP's progress towards compliance with the 95% handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission's Rules.<sup>2</sup>

Please contact the undersigned if you should have any questions regarding this Report.

Sincerely yours,

William J. Sill

<sup>2</sup> See 47 C.F.R. § 20.18(g)(1)(v).

<sup>&</sup>lt;sup>1</sup> See In the Matter of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems, CC Docket No. 94-102, Order, FCC 06-25 (rel. Mar. 8, 2006); see also Request for Limited Waiver of Washington RSA No. 8 Limited Partnership, CC Docket No. 94-102 (filed Dec. 5, 2005).

## Before the Federal Communications Commission Washington, DC 20554

In the Matter of	)	
	)	
Revision of the Commission's Rules to Ensure	)	CC Docket No. 94-102
Compatibility with Enhanced 911 Emergency	)	
Calling Systems	)	
	)	

To: The Commission

# WASHINGTON RSA NO. 8 LIMITED PARTNERSHIP'S QUARTERLY HANDSET PENETRATION STATUS REPORT

Washington RSA No. 8 Limited Partnership ("WA8LP"), by its attorneys, and pursuant to the Commission's March 8, 2006 *Order* in the above captioned proceeding, was granted a limited wavier of the 95% handset penetration rate for its subscribers until October 31, 2006 and was required to file quarterly reports ("Quarterly Report") during the extension period. WA8LP hereby submits its first status report regarding its compliance with the 95% handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission's Rules.

WA8LP offers its subscribers the flexibility to subscribe to either its pre-paid program or post-paid program. Under the former, a subscriber purchases a specified dollar amount of service prior to utilizing the service and in the latter, a subscriber is billed on a monthly basis after service has been rendered. This Quarterly Report includes data and information from both programs.

#### I. Number and Status of Phase II Requests From PSAPs

WA8LP provides cellular service on the Block B frequencies in the Washington 8 – Whitman, Idaho 1 – Boundary, and Idaho 2 – Idaho RSAs (Call Signs KNKN489, KNKQ400, and KNKR305). To date, WA8LP has received 5 valid requests for Phase II E911 service within the state of Washington. All 5 of these requests have been fulfilled and Phase II service is being

<sup>&</sup>lt;sup>1</sup> See In the Matter of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems, CC Docket No. 94-102, Order, FCC 06-25 (rel. Mar. 8, 2006) ("Order"); see also Request for Limited Waiver of Washington RSA No. 8 Limited Partnership, CC Docket No. 94-102 (filed Dec. 5, 2005) ("Limited Waiver Request").

<sup>&</sup>lt;sup>2</sup> See Order, FCC 06-25 at ¶¶ 15-17.

<sup>&</sup>lt;sup>3</sup> See 47 C.F.R. § 20.18(g)(1)(v).

provided. WA8LP has received two Phase II requests from Idaho PSAPs in its service area, one of which has been completed. WA8LP is working closely with the remaining PSAP and anticipates providing Phase II service by June 2006.

# II. Dates On Which Phase II Service Has Been Implemented/Estimated Dates On Which Phase II Service Will Be Available to PSAPs Served by Its Network

Phase II service has been implemented for the following PSAPs:

PSAP Name	Implementation Date
Asotin County, Washington	May 2005
Columbia County, Washington	May 2005
Garfield County, Washington	May 2005
Walla Walla County, Washington	May 2005
Whitman County, Washington	May 2005
City of Moscow, Idaho	June 2005
Nez Perce County, Idaho	June 2006 (projected)

Furthermore, WA8LP remains committed to providing Phase II service to any and all additional PSAP requests within six months following receipt of a valid request for such service, as required by Section 20.18(g)(2) of the Commission's Rules.

# III. Status of Coordination Efforts with PSAPs for Alternative 95% Handset Penetration Rates

WA8LP remains in regular contact with the appropriate public safety officials in its service area regarding the implementation of Phase I and Phase II E911. WA8LP believes the relevant PSAPs in WA8LP's service area are aware of WA8LP's handset deployment plan. On a going forward basis, WA8LP plans to send all relevant PSAPs updates of WA8LP's ALI-capable handset efforts.

#### IV. Efforts To Encourage Customers To Upgrade To Location-Capable Handsets

As reported in the Limited Waiver Request, WA8LP is on a clear path to full compliance. WA8LP has outlined and already embarked upon a multi-faceted, clear campaign towards full compliance with the Commission's rules. Specifically, to meet the 95% handset penetration rate by October 31, 2006, WA8LP has implemented the following multi-tiered campaign to encourage customers to upgrade to an ALI-compliant handset:

1) Since November 2003, WA8LP has provided ALI-capable handsets at no charge to new customers that selected a two year contract. WA8LP anticipates that this offering saves customers an average of \$120.

- 2) For existing post-paid customers, WA8LP offers a \$120 ALI-capable handset discount to customers who choose to renew their service for two years. To further motivate its other post-paid customers and its pre-paid customers, WA8LP has begun offering these subscribers a \$35 handset discount when they switch to an ALI-capable handset.
- 3) WA8LP produced and utilizes in-store, point-of-purchase flyers to ensure that its current and prospective subscribers are notified of their ability to trade-in their analog handset for a free digital phone.
- 4) WA8LP also reminds its subscribers of the free digital phone offer either directly on their monthly statement or via an insert mailed along with their monthly statement.
- 5) Information regarding customer options to upgrade to ALI-capable phones is also available on WA8LP's website.
- 6) To further motivate existing analog handset customers to upgrade their phone, starting in December 2005, WA8LP began giving 500 bonus minutes to qualified post-paid subscribers who choose to upgrade their analog handsets. To incent prepaid subscribers to switch to ALI-capable handsets, in March 2006, WA8LP implemented a program to give these pre-paid subscribers a \$10 service credit when they make the switch.
- 7) WA8LP has been analyzing the results of steps 1-6 and has, as a result, designed a direct mail flyer program and a direct phone call program to reach customers who have not yet traded in their analog phones. WA8LP's direct mailings will be sent out at the beginning of May 2006. In addition, WA8LP's direct phone call campaign, which will also begin the first week of May 2006, has the goal of contacting each subscriber with a non-ALI capable handset by the end of May to urge them to trade-in their analog handsets and answer any questions they might have about the benefits of Phase II service.
- 8) WA8LP plans to introduce a digital bag-phone manufactured by Motorola which will have the transmission and coverage characteristics that rival analog phones. As a small, rural Tier III carrier, WA8LP does not have the purchasing power sufficient to purchase handsets directly from manufacturers. Instead, WA8LP must utilize third party handset vendors. WA8LP's vendors have been unable to secure these digital bag phones for WA8LP and estimate that the digital bag phones will not be made available to WA8LP until third Quarter 2006. In the interim, WA8LP will continue to market and install external antennas and signal boosters that can be attached to its ALI-capable digital handsets to enhance their range.
- 9) WA8LP has embarked on a significant build out campaign to construct additional facilities that will enhance the quality of its digital coverage and thus diminish any subscriber perception that currently, analog coverage exceeds digital coverage. WA8LP plans to construct 20 digital sites in 2006, which represents a 36% increase in the number of digital sites in the system.

### V. Percentage of Customers with Location Capable Phones

As of the date of the instant filing, 73.9% of WA8LP's customers have upgraded to ALI-capable handsets.<sup>4</sup> While WA8LP still has a long way to go to reach the 95% penetration rate, WA8LP is steadfast in its desire to accomplish this goal in a timely manner. As discussed in detail in Section IV. *supra*, WA8LP has already devoted significant efforts and resources to

<sup>&</sup>lt;sup>4</sup> After WA8LP had filed its Limited Waiver Request, counsel to WA8LP received a telephone inquiry from Commission staff regarding the handset penetration rate WA8LP reported. Upon investigation, WA8LP discovered that the 92.8% penetration rate was incorrect. The correct penetration rate as of the date the Limited Waiver Request was filed was 73%. On March 31, 2006, WA8LP, by its attorneys, informed Commission staff by telephone of the error, explained how it occurred, and assured the Commission that WA8LP would still meet the October 31, 2006 deadline as set forth in the Order. WA8LP offered to immediately file a letter with the Commission explaining the source of the discrepancy but was instead instructed by Commission staff to fully disclose the circumstances surrounding the calculation error in the instant report. The miscalculation resulted from two misunderstandings by the employee in charge of calculating the penetration rate: 1) the employee incorrectly assumed that all of WA8LP's digital phones were also ALI-capable, when, in fact, a significant portion of WA8LP's digital phones are not ALI-capable; and 2) the employee incorrectly interpreted the data concerning the number of ALI handsets used by WA8LP's prepaid handset customers. Upon discovery of the error, WA8LP immediately implemented steps to educate its staff on which digital handsets are ALI-capable and to revamp its database to ensure the accuracy of its handset penetration percentages. WA8LP regrets the error.

increasing its ALI penetration rate and WA8LP will continue to explore new approaches to convince its analog holdouts that the time has come to transition to digital ALI handsets.

### VI. Detailed Information on the Status in Achieving Compliance

Despite the fact that WA8LP has more ground to make up than it originally believed,<sup>5</sup> WA8LP anticipates that it will, through a re-doubled effort, meet the revised deadline of October 31, 2006. As discussed above, WA8LP has embarked upon an extensive marketing and a customer incentive plan that it expects will allow it to rapidly increase it penetration rate. WA8LP will continue to commit its resources and capital to convince analog handset users to trade-in their phones for digital ALI-capable handsets.

<sup>&</sup>lt;sup>5</sup> See id.

### **DECLARATION OF GREGORY A. MARAS**

- I, Gregory A. Maras, do hereby declare under penalty of perjury the following is true and correct:
  - 1. I am the Secretary of Inland Cellular Telephone Company, General Partner of Washington RSA No. 8 Limited Partnership.
  - 2. I have reviewed the foregoing Quarterly Handset Penetration Status Report and believe it to be true and correct to the best of my knowledge, information and belief.

This declaration is executed on this 28th day of April, 2006.

Gregory A. Maras

Secretary of General Partner

Inland Cellular Telephone Company